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**JOHN CABOT UNIVERSITY**

COURSE CODE: "EC 316-1"  
 COURSE NAME: "International Economics"  
 SEMESTER & YEAR: Spring 2022

**SYLLABUS**

**INSTRUCTOR:** Simona Costagli  
**EMAIL:** scostagli@johncabot.edu  
**HOURS:** MW 4:30 PM 5:45 PM  
**TOTAL NO. OF CONTACT HOURS:** 45  
**CREDITS:** 3  
**PREREQUISITES:** Prerequisites: Junior Standing, EC 201, EC 202  
**OFFICE HOURS:** by appointment

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**COURSE DESCRIPTION:**

An introduction to international trade and finance. Analysis of the causes and consequences of international trade and investment. Major topics include international trade theory, international trade policy, exchange rates, open-economy macroeconomics, and international macroeconomic policy.

**SUMMARY OF COURSE CONTENT:**

The course covers selected topics in international trade theory and trade policy, as well as international finance and macroeconomic policy. Major topics also include: trade models, exchange rates, open-economy macroeconomics, and international macroeconomic policy.

The course also aims to link the economic theory to current issues and debated questions. A focus will be devoted to the ongoing debate on the "new protectionism", the US-China trade relationships, and the consequences of the COVID-19 pandemic on the world economy, with specific reference to the short- and long-term implications of the massive fiscal and monetary instruments that governments and central banks implemented to face the global recession.

Students are strongly encouraged to read "The Economist" (available at the University's library), the "Wall Street Journal" and the "Financial Times" articles concerning IE matters, as well as to follow the daily news on the main economic events.

*The course materials will be posted on Moodle, our leaning management system, available at <http://moodle.johncabot.edu/>.*

*You have to create your own account, unless you already have one. Information on creating moodle accounts can be found at <https://johncabot.libguides.com/moodle>.*

*Once you are logged in, search for the course (pay attention to the right section, if necessary).*

**LEARNING OUTCOMES:**

- To provide students with an analytical framework that can be used for understanding events in the field of international economics.
- To help students manage various sources of information on the global economy.

By the end of the course, students should be able to: *a)* demonstrate an ability to analyse current issues in international economics (IE) on the basis of different models of international trade; *b)* demonstrate an ability to critically assess IE matters, and *c)* demonstrate an ability to appropriately select and deploy theoretical principles to address practical issues and problems.

**TEXTBOOK:**

Book Title	Author	Publisher	ISBN number	Library Call Number	Comments
International Economics: Theory and Policy,	Paul R. Krugman, Maurice Obstfeld, and Mark Melitz	Pearson Addison-Wesley	0-273-75409-29th Edition Any edition will work		

**REQUIRED RESERVED READING:**

NONE

**RECOMMENDED RESERVED READING:**

NONE

**GRADING POLICY****-ASSESSMENT METHODS:**

Assignment	Guidelines	Weight
Attendance and participation		10%

in class discussion		
Exam 1		20%
Exam 2		15%
Project presentation	The project assigned has the objective to: • find and document information; • use information that is relevant to illustrating the question/issue of concern; • present information in tables, charts, graphs that are visually easy to understand and properly documented; • foster the ability to summarize in an oral presentation the key elements of an issue, indicating that the students have clearly understood the underlying details of the topic; • help an appropriate use of empirical information. Provide a 7 to 10 power point slides visual presentation, lecture outline, and bibliography. The issue will be decided by lot from a list provided in the second week. Presentations will consist in a debate between two groups of students (max. 3 students each group). The groups will face each-other sustaining opposite views on the same issue (ex: is the Chinese currency overvalued? Yes vs no; Has the Fed tapered the quantitative easing too fast? Should Us firms continue to outsource their productions? ...). Each group is supposed 1) to present its view using ppt (or other supports like prezy); 2) to question and discuss the other group's view; 3) to answer to the professor/public question on the issue. Use at least 5 sources, of which at least 2 must be for empirical data – Wikipedia is not considered a valid source. Please refer to the JCU Frohring Library Reference Librarian or Modern Language Association Style Guide on how to properly cite sources. Grading will be based on: • Clarity of the presentation • Structure of the argument and organization of the information • Documentation of sources as well as graphs, charts, etc. • Appropriate choice of visual information that illustrates the issue clearly and professionally • Depth and insight of the research • Ability to use theoretical and empirical instruments to criticize/support an issue	15%
Final exam		40%

**-ASSESSMENT CRITERIA:**

**A**Work of this quality directly addresses the question or problem raised and provides a coherent argument displaying an extensive knowledge of relevant information or content. This type of work demonstrates the ability to critically evaluate concepts and theory and has an element of novelty and originality. There is clear evidence of a significant amount of reading beyond that required for the course

**B**This is highly competent level of performance and directly addresses the question or problem raised. There is a demonstration of some ability to critically evaluate theory and concepts and relate them to practice. Discussions reflect the student's own arguments and are not simply a repetition of standard lecture and reference material. The work does not suffer from any major errors or omissions and provides evidence of reading beyond the required assignments.

**C**This is an acceptable level of performance and provides answers that are clear but limited, reflecting the information offered in the lectures and reference readings.

**D**This level of performances demonstrates that the student lacks a coherent grasp of the material. Important information is omitted and irrelevant points included. In effect, the student has barely done enough to persuade the instructor that s/he should not fail.

**F**This work fails to show any knowledge or understanding of the issues raised in the question. Most of the material in the answer is irrelevant.

**-ATTENDANCE REQUIREMENTS:**

**ATTENDANCE REQUIREMENTS AND EXAMINATION POLICY**

You cannot make-up a major exam (midterm or final) without the permission of the Dean's Office. The Dean's Office will grant such permission only when the absence was caused by a serious impediment, such as a documented illness, hospitalization or death in the immediate family (in which you must attend the funeral) or other situations of similar gravity. **Absences due to other meaningful conflicts, such as job interviews, family celebrations, travel difficulties, student misunderstandings or personal convenience, will not be excused.** Students who will be absent from a major exam must notify the Dean's Office prior to that exam. Absences from class due to the observance of a religious holiday will normally be excused. Individual students who will have to miss class to observe a religious holiday should notify the instructor by the end of the Add/Drop period to make prior arrangements for making up any work that will be missed. The final exam period runs until \_\_\_\_\_

**ACADEMIC HONESTY**

**As stated in the university catalog, any student who commits an act of academic dishonesty will receive a failing grade on the work in which the dishonesty occurred. In addition, acts of academic dishonesty, irrespective of the weight of the assignment, may result in the student receiving a failing grade in the course. Instances of academic dishonesty will be reported to the Dean of Academic Affairs. A student who is reported twice for academic dishonesty is subject to summary dismissal from the University. In such a case, the Academic Council will then make a recommendation to the President, who will make the final decision.**

**STUDENTS WITH LEARNING OR OTHER DISABILITIES**

**John Cabot University does not discriminate on the basis of disability or handicap. Students with approved accommodations must inform their professors at the beginning of the term. Please see the website for the complete policy.**

SCHEDULE

PRELIMINARY SCHEDULE

week 1

CHAPTERS 1,2

What is IE about?; World Trade: An Overview

CHAPTER 3

Labor Productivity and Comparative Advantage: The Ricardian Model

week 2

CHAPTER 5

Resources and trade: The Heckscher-Ohlin Model

CHAPTER 7

External Economies of Scale and the International Location of Production

week 3

CHAPTER 8

Firms in the Global Economy: Export Decisions, Outsourcing, and Multinationals Enterprises

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week 4	CHAPTER 9	The Instruments of Trade Policy
	CHAPTER 10	The Political Economy of Trade Policy
week 5	Review CH (1-10)	
	First exam 20% (1-10)	
week 6	CHAPTER 11	Trade Policy in Developing Countries
	CHAPTER 12	Controversies in Trade Policy
week 7	CHAPTER 13	National Income Accounting and the Balance of Payments
	CHAPTER 14	Exchange Rates and the Foreign Exchange Market: An Asset Approach
	CHAPTER 15	Money, Interest Rates, and Exchange Rates
week 8	CHAPTER 16	Price Levels and the Exchange Rate in the Long Run
	CHAPTER 17	Output and the Exchange Rate in the Short Run
week 9	CHAPTER 17	Output and the Exchange Rate in the Short Run
	Review (11-16)	
week 10	Second Mid term 15% (11-16)	
week 11	CHAPTER 18	Fixed Exchange Rates and Foreign Exchange Intervention
	CHAPTER 18	Fixed Exchange Rates and Foreign Exchange Intervention
week 12	CHAPTER 20	Optimum Currency Areas and the European Experience
	CHAPTER 22	Developing Countries: Growth, Crisis and Reform
week 13	Project presentation	
	Project presentation	
week 14	Project presentation	
	Review	
	Final exam (comprehensive) 40%	